Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Computer Technology  
Assignment 12  
Microsoft Excel 2007

1. Go to Microsoft Excel. Go to the Office Button and select New. Choose Installed Templates from the left-hand list. Choose Loan Amortization and click Create. This is a loan calculator. You will be calculating the interest and the payments for various items.
2. The house to the right is an actual home for sale in West Jordan.
   1. The asking price is $235,000.
   2. An average interest rate in Utah is 5.5% for a 30-year loan, 5.0% for a 15-year loan.
   3. You will make 12 payments per year.
3. If you make a 30 year loan, how much is your payment per month? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. How much total interest would you pay? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
4. With a 15 year loan, how much would you pay a month? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. What is your total interest? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
5. Go to <http://www.carmax.com/> and find a new car that you would like to buy. On the top toolbar choose Find a Car, and select New Cars. Find a new car that interests you. Find the asking price. Set the interest to 4.9%. Choose a time period to pay from 1-5 years.
   1. How many years will it take to pay your car off? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
   2. How much are your monthly payments? \_\_\_\_\_\_\_\_\_\_\_\_\_\_
   3. How much are you paying in interest total? \_\_\_\_\_\_\_\_\_\_\_\_\_
6. Choose a used car from the same site. Enter the amount of time it will take you in order to keep your monthly payments below $200.00 a month. Keep the interest at 4.9%.
   1. How many years will it take you pay your loan off? \_\_\_\_\_\_\_\_\_\_\_\_\_\_
7. Now lets say you get a credit card. The average American has $8,000 in credit card debt.
   1. If you have $8,000 in credit card debt, with an interest rate of **21%**, how long will it take you to pay it off if you pay about $150.00 a month? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
   2. How much will you have paid in interest by that time? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
   3. What if you pay it off at a rate of about $300 a month? How long will it take? \_\_\_\_\_\_\_\_\_\_\_\_\_\_.
   4. How much will you pay in interest? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
8. Go online and find something you would like to buy that would require a loan. (Jet ski, snowmobile, RV, 4-wheeler, a house, a car, etc.) Find the total amount of the item. Use an interest rate of 6%.
   1. What is your item? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
   2. What website did you find it on? \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.
   3. How much will you have to pay a month to pay it off, and how much interest would you pay?

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| --- | --- | --- |
|  | **Monthly Payment** | **Interest Amount** |
| **5 years** |  |  |
| **4 years** |  |  |
| **3 years** |  |  |
| **2 years** |  |  |
| **1 year** |  |  |

1. What has this lesson taught you about taking out loans?